



Congressman

Robert T. Matsui

WASHINGTON REPORT

5th District, California

Summer 2001

Congressman Matsui Supports Proposals to Stabilize Short Term Energy Prices and Increase Long Term Supply

The threat of rolling blackouts and many months of rising energy bills are clear signs that California needs to stabilize its energy market.

The Federal Energy Regulatory Commission (FERC) has the authority to order electricity generators to supply California with energy and to cap prices in the western energy market. An order from FERC could make sure that California has adequate energy supplies at affordable prices.

Congressman Matsui has cosponsored two pieces of legislation that would direct FERC to help California consumers. The Energy Price and Economic Stability Act of 2001 and the California Electricity Consumers Relief Act of 2001 would order FERC to set cost-of-service based rates on the wholesale price of energy. The legislation would require refunds if FERC finds that wholesale rates are unjust and unreasonable. Congressman Matsui also asked President Bush to direct FERC to rein in energy cost.

"California needs temporary price caps to restore balance to this market. I support long-term efforts to match supply with demand, but for right now the most important goal is to bring California a steady stream of supply at affordable prices," explained Rep. Matsui.

Balancing Supply, Demand, and Our Environment

Congressman Matsui supports a national energy policy that will increase

production and reduce America's dependence on foreign oil without opening Alaska's Arctic National Wildlife Refuge or California's coast for drilling.

Californians know that conservation is the most immediate and cost effective means to supply imbalance of the energy crisis. California already uses less energy than any other state in the country in terms of kilowatt use per capita. Just in the month of May 2001, Californians reduced their energy consumption by a significant 11%.

California and the nation could reduce energy use even more if consumers and producers were offered strong financial incentives. Many products that foster conservation and alternative energy sources, while cost effective in the long term, have expensive up-front

costs that prevent the average consumer or small business from taking advantage. Tax credits or subsidies for building alternative power sources and appliances or vehicles that use alternative power are inexpensive for Congress to implement and would quickly reduce demand.

LAGUNA CREEK HIGH SCHOOL WINS NATIONAL AWARD

Congressman Matsui congratulated math teacher Mrs. Viola Okoro and her students during his tour of Laguna Creek High School. The Department of Education this year recognized Laguna Creek High School as a New American High School for its outstanding work preparing graduates for successful careers and higher education.

L a g u n a Creek is one of less than fifteen high schools nationwide that receive the award each year.



GOVERNMENT ENERGY ASSISTANCE

The Federal Government provides cash, home weatherization programs, and rate reduction assistance to low-income persons coping with increased energy bills. To check if you qualify please call one of the agencies below or visit www.csd.ca.gov.

Low Income Home Energy Assistance Program (LIHEAP) — provides discounts on monthly bills and other financial assistance to eligible households. 322-2940

Weatherization Program — provides assistance to increase the energy efficiency of dwellings occupied by low-income persons in order to reduce their energy consumption and lower their fuel bills. 322-2940

MONEY SAVING TIPS

California consumers have proven that conservation is the fastest way to reduce costs and avoid blackouts. The Sacramento Municipal Utility District (SMUD) can help you save energy in your home or office. Try these tips and call or check out the websites listed below for more information.

- Clean or change your air-conditioner filter regularly
- Reduce appliance use during 4:00–6:00 pm during the week
- Use fans to cool rooms if you are not moving around the house

SMUD California
1-888-742-7683
www.smud.org

Energy Commission
1-800-232-4685
www.energy.ca.gov

WHAT'S NEXT:
LEGISLATIVE PRIORITIES
FOR THE 107TH CONGRESS

HEALTHY FAMILIES

Congressman Matsui is working to pass a Patients Bill of Rights law that gives patients a strong voice in decisions about their health. Congressman Matsui is also working to modernize the Medicare system. New prescription drugs and treatments can sometimes be safer and less expensive alternatives to invasive and traditional surgeries; however, without Medicare coverage these medical advances are unaffordable to most seniors.

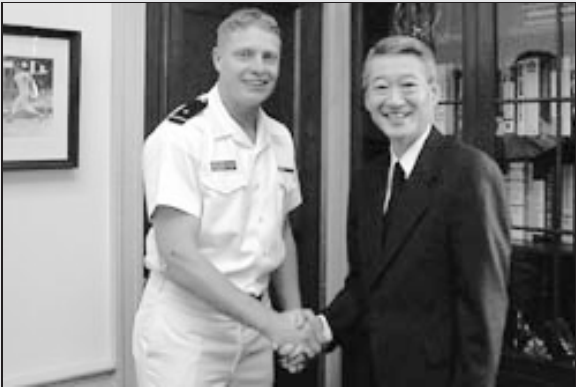
SAFE STREETS

In 1993 the Federal Government began a new program known as COPS (Community Oriented Policing Service) and set a goal to hire 100,000 new law enforcement professionals. Local law enforcement uses COPS grant money for important expenses such as hiring and training new officers or upgrading outdated equipment. Although President Bush has signaled his intention to cut the program, Congressman Matsui believes that COPS is an important tool for local law enforcement and will fight for its continued funding.

STRONG SCHOOLS

One of Congressman Matsui's top priorities for education is to help states hire enough teachers to reduce class sizes to a national average of 18 students. Matsui is also working to win increased funding for the U.C. Davis Area 3 Writing Project Center—a national program that focuses on improving writing skills for all ages. In California alone, this very successful program has served over 33,000 students and trained nearly 3,000 Teacher Leaders.

CONGRATULATIONS CLASS OF 2001



Congressman Matsui congratulates Ensign Stephen Weydert from Elk Grove, California on his graduation from the Naval Academy at Annapolis. Congressman Matsui nominated Weydert to attend the Naval Academy in 1997.

For more information on the Army, Air Force, Merchant Marines, and Navy Academies or to learn how to request a nomination, please contact Congressman Matsui's office at (916)498-5600.

http://www.house.gov/matsui/military_service_academies.htm

FACTS ON THE TAX REBATE

The tax cut package that Congress passed includes an advance tax refund for some Americans. The IRS will determine who qualifies and will mail checks automatically. If you have moved, contact the IRS to file a change of address. Here are some additional facts about the tax rebate:

- Tax payers should receive a letter from the IRS about the tax rebate. If you are eligible for a rebate, the letter will indicate how much you should expect to receive. If you are not eligible, the letter will explain why.
- Checks will be mailed in numerical order according to the last two digits of the Social Security number listed first on the return. For example, tax payers with Social Security numbers that end in the digits 00 or 11 will receive their checks before tax payers with Social Security numbers that end in the digits 89 or 99.
- The IRS expects to send payments by the end of October to taxpayers who filed their 2000 return by the April 15 deadline.
- Maximum advance credit amounts are \$300 for single filers, \$500 for head of household, and \$600 for joint filers.
- Call the IRS at 1-800-829-1040 or use the web site www.irs.gov for more information.

During the last week in May, Congress approved a \$1.35 trillion tax cut that included a reduction in the marginal tax rates, an increase in the estate tax exemption, and an increase in the child tax credit. This analysis shows the average tax cut you can expect to receive over the next ten years and how the \$1.35 trillion tax cut is distributed between income groups. Use the first column to find your income group and follow the chart to determine your cut.

Income Group and Range	Average Income	Average Total Tax Cut	% of Total Tax Cut
Bottom 20% of tax payers Less than \$15,000	\$9,300	\$66	0.9%
Second 20% of tax payers \$15,000 – 27,000	\$20,600	\$375	5.3%
Third 20% of tax payers \$27,000 – 44,000	\$34,400	\$600	8.5%
Fourth 20% of tax payers \$44,000 – 72,000	\$56,400	\$1,026	14.5%
Next 15% of tax payers \$72,000 – 147,000	\$97,400	\$2,234	23.7%
Next 4% of tax payers \$147,000 – 373,000	\$210,000	\$3,345	9.5%
Top 1% of tax payers \$373,000 or more	\$1,117,000	\$53,123	37.6%
ALL	\$57,800	\$1,404	100.0%

Courtesy Tax Justice For All, May 2001

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